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IN THE MATTER OF THE APPLICATION OF
ARIZONA WATER COMPANY, AN ARIZONA
CORPORATION, TO EXEND ITS EXISTING
CERTIFICATE OF CONVENIENCE AND
NECESSITY IN THE CITY OF CASA GRANDE
AND IN PINAL COUNTY, ARIZONA

Docket No. W-01445A-06-0199

IN THE MATTER OF THE APPLICATION OF
PALO VERDE UTILITIES COMPANY FOR AN
EXTENSION OF ITS EXISTING CERTIFICATE
OF CONVENIENCE AND NECESSITY.

Docket No. SW-03575A-05-0926

IN THE MATTER OF THE APPLICATION OF
SANTA CRUZ WATER COMPANY FOR AN
EXTENSION OF ITS EXISTING CERTIFICATE
OF CONVENIENCE AND NECESSITY.

Docket No. W-03576A-05-0926

**GLOBAL'S RESPONSE IN SUPPORT OF
THE MOTION FOR RECONSIDERATION OF
THE ROBSON UTILITIES**

Santa Cruz Water Company, LLC; Palo Verde Utilities Company, LLC; Global Water –
Santa Cruz Water Company and Global Water – Palo Verde Utilities Company (collectively,
“Global”) hereby respond in support of the Motion for Reconsideration filed by the Robson
Utilities¹ regarding their request to intervene in this case.

¹ “Robson Utilities” means Ridgeview Utility Company, Picacho Water Company, Lago Del Oro
Water Company and Santa Rosa Water Company.

1 We agree with the Robson Utilities that Arizona Water Company's ("AWC") Certificate of
2 Convenience and Necessity ("CC&N") Application is "extraordinary and unprecedented."² This
3 statement is true in at least two important respects. First, the sheer size of AWC's request is
4 breathtaking. AWC is laying claim to 110 square miles of new territory. In modern times, the
5 Commission has never considered a CC&N of such size. Decisions about such a vast area will
6 necessarily have important impacts on the future of all of Pinal County. Second, AWC has
7 requests for service for only 0.3% of its requested area. As we explained in our Motion to
8 Dismiss, the Commission has required such requests for many years. We are not aware of a utility
9 ever falling so short of meeting this requirement.

10 The ALJ found that the Robson Utilities did not have standing because they did not have
11 requests for service, and because they have not filed an application for the proposed area.³ It
12 would be ironic if those who seek to challenge AWC were required to have the very requests that
13 AWC itself lacks. Nor should an application be required. Such a requirement would only
14 encourage utilities to file unsupported applications, especially if that is the only way they will be
15 allowed to protect their rights against the aggressive actions of another utility. As explained in our
16 Motion to Dismiss, the Commission should take a firm stand against such unsupported
17 applications.

18 The ALJ also found that intervention by the Robson Utilities would unduly broaden the
19 issues. The Robson Utilities present two main issues: (1) that requests for service should be
20 required, and (2) that integrated water, wastewater, and reclaimed water service is superior to
21 water-only service. Lest there be any doubt, Global will continue to raise these two key issues
22 throughout these proceedings.

23 Indeed, these two key issues will be at the heart of this case. Robson's first issue – whether
24 this area will receive integrated water, wastewater and reclaimed water service – is critically
25

26 ² Robson Motion for Reconsideration at 3:6.

27 ³ Procedural Order dated July 10, 2006 at 3.

1 important. Integrated service is the foundation of effective water conservation, which can be
2 achieved through the "triad of conservation": (1) reusing reclaimed water; (2) using renewable
3 surface water; and (3) recharging excess water into the aquifer for later use. Integrated utilities
4 produce high-quality treated, reclaimed water which can be reused for non-potable purposes or
5 recharged for later use, and they can effectively plan, build and promote these services. Given the
6 size of the proposed extension area and the local aquifer's limited capability for natural recharge,
7 having integrated utilities promoting the triad of conservation will be crucial to the future of the
8 region.

9 Robson's second issue – requests for service – is also important. Requiring requests for
10 service has long been Commission policy. This policy protects the public interest in two key
11 ways. First, the Commission respects property rights by protecting landowners from unwanted
12 monopolies. Second, requests show the "necessity" that is needed to issue a Certificate of
13 Convenience and Necessity. Unless necessity is shown, the Commission risks granting an
14 irrevocable monopoly based on mere speculation.

15 The Robson Utilities raise important issues, and their experience in such matters should be
16 valuable in this case. Moreover, Global will raise the same issues, so the issues in this case will
17 not be unduly broadened. The Commission has historically granted intervention freely, and AWC
18 did not oppose Robson's intervention. For these reasons, the Commission should grant the
19 Robson Utilities' Motion for Reconsideration.

20 RESPECTFULLY SUBMITTED this 11th day of August 2006.

21 ROSHKA DEWULF & PATTEN, PLC

22
23 By 

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1 Original + 17 copies of the foregoing
2 filed this 17 day of August 2006, with:

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